MOT TO EXT TIME FOR VESTA STRATEGIES, TERZAKIS, SINGLE SITE SOLUTIONS., B&B SPARCO, & PETER YE TO RESP. TO FAC

AND THIRD PARTY CLAIMS

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| 1  | Pursuant to Federal Rule of Civil Procedure 6(b) and L.R. 6-3, Plaintiff/Counter               |             |  |
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| 2  | Defendant Vesta Strategies, LLC and Third Party Defendants John Terzakis, Single Site          |             |  |
| 3  | Solutions Corporation, B&B Sparco Properties, Inc., and Peter Ye respectfully move for an      |             |  |
| 4  | extension of time to respond to the First Amended Counterclaim and First Amended Third-Party   |             |  |
| 5  | Complaint of Defendants/Counter Plaintiffs/Third Party Claimants Mutual Vision, LLC, Robert    |             |  |
| 6  | Estupinian, and Ginny Estupinian and of Defendants/Third Party Claimants Millennium Realty     |             |  |
| 7  | Group, Vesta Reverse 100, LLC, Vesta Capital Advisors, LLC, Edmundo Estupinian, and Haydee     |             |  |
| 8  | Estupinian (Docket No. 44) up to and including May 9, 2008. Attached hereto is the Declaration |             |  |
| 9  | of Aron J. Frakes in support of this Motion and [Proposed] Order.                              |             |  |
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| 12 | Dated: April 22, 2008 Respectfully submitted,  McDERMOTT WILL & EMERY LLP                      | ļ           |  |
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| 15 | By: /s/ Aron J. Frakes Aron J. Frakes  |             |  |
| 16 |  | I.C.        |  |
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| 19 | Party Defendant B&B SPARCO PROPERTIES, INC.  |             |  |
| 20 | Dated: April 22, 2008 Respectfully submitted,  |             |  |
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| 22 | 2  |             |  |
| 23 | By: /s/ Alan L. Martini  |             |  |
| 24 | A1 T M A: '  |             |  |
| 25 | Attorneys for Third Party Defendant PETER YE   |             |  |
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|    | MOT TO EXT TIME FOR VESTA STRATEGIES,  | <del></del> |  |

## DECLARATION OF ARON J. FRAKES IN SUPPORT OF MOTION AND [PROPOSED] ORDER TO EXTEND TIME TO RESPOND TO FIRST AMENDED COUNTERCLAIM AND THIRD PARTY COMPLAINT

I, Aron J. Frakes, declare as follows:

- 1. I am an attorney at the law firm of McDermott Will & Emery LLP, counsel of record for Plaintiff/Counter Defendant Vesta Strategies, LLC ("Vesta Strategies") and Third Party Defendants John Terzakis ("Terzakis"), Single Site Solutions Corp. ("Single Site Solutions"), and B&B Sparco Properties, Inc. ("B&B Sparco," and collectively with Vesta Strategies, Terzakis and Single Site Solutions, and Peter Ye, "Movants"). I am a member in good standing of the State Bar of Illinois and am admitted to practice *pro hac vice* in the United States District Court for the Northern District of California in this matter. I have personal knowledge of the facts set forth in this Declaration and, if called as a witness, could and would testify competently to such facts under oath.
- 2. On December 17, 2007, Vesta Strategies filed an amended complaint against Mutual Vision, LLC, ("Mutual Vision"), Robert and Ginny Estupinian (collectively, the "Estupinians"), and Millennium Realty Group, Vesta Reverse 100, LLC, Vesta Capital Advisors, LLC, Carol-Ann Tognazzini, Edmundo Estupinian, and Haydee Estupinian. (*See* Doc. 12.)
- 3. On January 7, 2008, Mutual Vision and the Estupinians' filed a counterclaim against Vesta Strategies and purported third-party claims against Terzakis, Single Site Solutions, B&B Sparco, and Peter Ye (the "Original Counterclaim"). (*See* Doc. 23.) Pursuant to Federal Rule of Civil Procedure 4(d)(3), Movants agreed to waive service of process on or about January 14, 2008. Under the Federal Rules of Civil Procedure, Movants therefore had 60 days to respond to the Original Counterclaim. On March 14, 2008, Movants timely filed a motion to dismiss all of Mutual Vision's and the Estupinians' claims in the Original Counterclaim pursuant to Federal Rule of Civil Procedure 12(b)(6) and Terzakis additionally moved for an order to strike Mutual Vision's and the Estupinians' claim for libel and slander and for attorneys' fees and costs pursuant to the California Anti-SLAPP Statute, CAL. CIV. P. CODE § 425.16 *et seq.* (Doc. 31.)
  - 4. Rather than respond to Movants' motion to dismiss all of their claims and

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> MOT TO EXT TIME FOR VESTA STRATEGIES, TERZAKIS, SINGLE SITE SOLUTIONS., B&B

SPARCO, & PETER YE TO RESP. TO FAC

- Terzakis's anti-SLAPP motion, Mutual Vision and the Estupinians filed their First Amended Counterclaim and First Amended Third Party Complaint (the "Amended Counterclaim") on April 9, 2008. (See Doc. 44.) In their Amended Counterclaim, Mutual Vision and the Estupinians dropped their claims for libel and slander, fraud, conversion, and interference with contract. (Compare Doc. 23 with Doc. 44.)
- Despite dropping many of their claims from the Original Counterclaim, the Amended Counterclaim significantly and substantially expanded the Original Counterclaim against the Movants. In fact, the Amended Counterclaim is essentially an entirely new complaint. For example, the Amended Counterclaim contains thirteen claims brought by Mutual Vision and/or the Estupinians, each against a combination of Movants. Many of these claims are entirely new, such as the: (1) RICO claim against Movants and Peter Ye; (2) unlawful distribution claim against Vesta Strategies, Terzakis, and Single Site Solutions; (3) failure to maintain records claim against Vesta Strategies, Terzakis, and Single Site Solutions; (4) failure to provide records claim against Vesta Strategies, Terzakis, and Single Site Solutions; (5) wrongful discharge claim against Vesta Strategies and Terzakis; (6) intentional infliction of emotional distress claim against Vesta Strategies, Terzakis, and Peter Ye; (7) contribution and apportionment of fault claim against Movants; and (8) declaratory relief against Movants. (Compare Doc. 23 with Doc. 44.) In addition, even where Mutual Vision and the Estupinians re-asserted some of the claims contained in their Original Counterclaim, such as their claims for breach of fiduciary duty and an accounting, they asserted those claims on behalf of different parties and/or against different parties. (Compare Doc. 23 with Doc. 44.) Further, in the Amended Counterclaim, for the first time, Defendants/Third Party Claimants Millennium Realty Group, Vesta Reverse 100, LLC, Vesta Capital Advisors, LLC, Edmundo Estupinian, and Haydee Estupinian asserted claims against Movants, bringing claims for contribution and declaratory relief. (Compare Doc. 23 with Doc. 44.)
- 6. Movants' response to the new Amended Counterclaim is currently due on April 28, 2008.
  - 7. In order to respond to the new allegations, claims, and assertions in the Amended

| 1  | Counterclaim, and due to Movants' counsel's other various professional commitments, I                |
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| 2  | conferred in good faith with opposing counsel, Kevin Martin, and requested that he agree to allow    |
| 3  | Movants a short extension until May 9, 2008 to respond to the Amended Counterclaim. (See E-          |
| 4  | mail chain between Aron J. Frakes to Kevin R. Martin, attached as Exhibit A.) Mr. Martin first       |
| 5  | rejected that request outright. (See Ex. A.) I then respectfully asked Mr. Martin to reconsider that |
| 6  | refusal to agree to Movants' reasonable request for an extension. (Id.) In response, Mr. Martin      |
| 7  | then offered to "extend" the date to respond until April 25, 2008. (Id.) I responded by pointing     |
| 8  | out that April 25, 2008 was three days before Movants' response to the Amended Counterclaim is       |
| 9  | currently due, again asking for a reasonable extension to May 9, 2008. (Id.) Mr. Martin again        |
| 10 | refused to grant the Movants' requested extension. (Id.)   |
| 11 | 8. Accordingly, Movants are filing this motion for a short extension of time, until                  |
| 12 | May 9, 2008, to answer or otherwise plead in response to the Amended Counterclaim. If                |
| 13 | Movants' motion is not granted, Movants will be substantially harmed and prejudiced because          |
| 14 | Movants will not have the ability to adequately and appropriately respond to the many new            |

- allegations, claims, and assertions of the Amended Counterclaim.

  9. Vesta Strategies, Terzakis, and Defendant/Counter Claimaint/Third-Party
  Claimant Carol-Ann Tognazzini ("Tognazzini") previously filed, and the Court granted, a
  stipulation to extend the time for Vesta Strategies and Terzakis to respond to Tognazzini's
- 10. This is Movants' only request to extend the time in which to respond to the Amended Counterclaim.

Counterclaim and Third-Party Claim by ten days. (Docs. 36, 37.)

11. This request for modification of time will not alter any other dates previously entered by this Court.

Executed on the 22nd day of April, 2008 at Chicago, Illinois. I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

| /: | s/ Aron J. Frakes |  |
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| 1 2                             | [PROPOSED] ORDER   |  |  |  |
|---------------------------------|--|--|--|--|
| 3                               | The Motion to Extend Time for Plaintiff/Counter Defendant Vesta Strategies, LLC and              |  |  |  |
| 4                               | Third-Party Defendants John Terzakis, Single Site Solutions Corp. B&B Sparco Properties, Inc.,   |  |  |  |
| 5                               | and Peter Ye to Respond to the First Amended Counterclaim and First Amended Third Party          |  |  |  |
| 6                               | Complaint is <b>GRANTED</b> . Movants are hereby given up to and including May 9, 2008 to answer |  |  |  |
| 7                               | or otherwise plead in response to the First Amended Counterclaim and First Amended Third         |  |  |  |
| 8                               | Party Complaint.   |  |  |  |
| 9                               | Dated: April 25, 2008  |  |  |  |
| 10                              | Dated: April 25, 2008  JAMES WARE  |  |  |  |
| 11                              | Unliked States District Judge  |  |  |  |
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